

**MONTHLY OPERATING REPORT  
(GENERAL BUSINESS CASE)**

**SUMMARY OF FINANCIAL STATUS**

**MONTH ENDED:** January 31, 2020

**PETITION DATE:** January 29, 2019

1. Debtors in possession (or trustee) hereby submit this Monthly Operating Report on the Accrual Basis of accounting (or if checked here ☐ the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtors).

**Dollars reported in \$ millions**

**2. Asset and Liability Structure**

	<u>End of Current</u> <u>Month</u>	<u>End of Prior</u> <u>Month</u>	<u>As of Petition</u> <u>Filing</u> <sup>(1)</sup>
a. Current Assets	\$ 10,799	\$ 10,165	\$ 9,091
b. Total Assets	\$ 85,902	\$ 85,196	\$ 79,809
c. Current Liabilities	\$ 8,267	\$ 7,631	\$ 3,740
d. Total Liabilities	\$ 80,351	\$ 79,808	\$ 66,888

**3. Statement of Cash Receipts & Disbursements for Month**

	<u>End of Current</u> <u>Month</u>	<u>End of Prior</u> <u>Month</u>	<u>Cumulative</u> <u>(Case to Date)</u>
a. Total Receipts	\$ 2,512	\$ 1,917	\$ 25,557
b. Total Disbursements	\$ (2,107)	\$ (2,481)	\$ (24,508)
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$ 405	\$ (564)	\$ 1,049
d. Cash Balance Beginning of Month	\$ 1,555	\$ 2,119	\$ 910
e. Cash Balance End of Month (c + d)	\$ 1,960	\$ 1,555	\$ 1,959

**4. Profit/(Loss) from the Statement of Operations**

	<u>End of Current</u> <u>Month</u>	<u>End of Prior</u> <u>Month</u>	<u>Cumulative</u> <u>(Case to Date)</u> <sup>(1)</sup>
	\$ 164	\$ (3,747)	\$ (7,490)

**5. Account Receivables (Pre and Post-Petition)**

	\$ 4,980	\$ 4,873
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**6. Post-Petition Liabilities**

	\$ 5,238	\$ 4,687
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**7. Past Due Post-Petition Account Payables (over 30 days) <sup>(2)</sup>**

	\$ —	\$ —
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<sup>(1)</sup> Data as of January 29, 2019 is not available, January 31, 2019 data used as Petition Date.

<sup>(2)</sup> In the ordinary course, in most instances the Debtors' process for validating items for payment to suppliers requires the matching of a vendor invoice with a purchase order and, additionally, with a goods receipt (reflecting the Debtors' acknowledgment of the delivery of goods or completion of services). That matching process extends the timeline for a vendor invoice to be cleared for payment until such time as the validation operation is fully complete. The Debtors are actively engaged on an ongoing basis with their supplier base to minimize the invoice matching and validation time frame. To the best of the Debtors' knowledge, in all instances where the invoice matching process has been satisfactorily completed for post-petition vendor activity, the Debtors do not have any past due post-petition accounts payable as of January 31, 2020.

**At the end of this reporting month:**

	<u>Yes</u>	<u>No</u>
8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)	<u>✓</u>	<u></u>
9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)	<u>✓</u>	<u></u>
10. If the answer is yes to 8 or 9, were all such payments approved by the court?	<u>✓</u>	<u></u>
11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)	<u>✓</u>	<u></u>
12. Are the estates insured for replacement cost of assets and for general liability?	<u>✓</u>	<u></u>
13. Are a plan and disclosure statement on file? <sup>(1)</sup>	<u>✓</u>	<u></u>
14. Was there any post-petition borrowing during this reporting period? <sup>(2)</sup>	<u>✓</u>	<u></u>

**15. Check if paid:**

Post-petition taxes:	<u>✓</u>
U.S. Trustee Quarterly Fees:	<u>✓</u>
Tax reporting and tax returns:	<u>✓</u>

(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

<sup>(1)</sup> The Debtors filed with the Bankruptcy Court their Joint Chapter 11 Plan of Reorganization on September 9, 2019. The Debtors thereafter amended such plan on September 23, 2019 (Docket #3966), November 4, 2019 (Docket #4563) and December 12, 2019 (Docket #5101). On January 31, 2020, the Debtors and Shareholder Proponents (as defined in the Proposed Plan) filed the Debtors' and Shareholders Proponents' Joint Chapter 11 Plan of Reorganization with the Bankruptcy Court (the "Proposed Plan"). On February 7, 2020, the Debtors filed a proposed disclosure statement (the "Proposed Disclosure Statement") (Docket #5700). The Debtors thereafter supplemented the Proposed Disclosure Statement on February 18, 2020 (Docket #5801).

<sup>(2)</sup> During the month of January 2020, the Debtors issued \$99 million letters of credit. On January 29, 2020, the Utility borrowed \$500 million under the DIP Delayed Draw Term Loan Facility.

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: February 28, 2020



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David S. Thomason  
Vice President, Controller, PG&E Corporation  
Vice President, Chief Financial Officer and Controller, Pacific  
Gas and Electric Company

**UNAUDITED STATEMENTS OF INCOME  
FOR THE MONTH ENDED JANUARY 31, 2020**

<b>(in millions)</b>	<b>Reference</b>	<b>Pacific Gas &amp; Electric Company</b>	<b>PG&amp;E Corporation</b>	<b>PG&amp;E Corporation Consolidated</b>
<b>Operating Revenues</b>				
Electric		\$ 979	\$ —	\$ 979
Natural gas		434	—	434
<b>Total operating revenues</b>		<b>1,413</b>	<b>—</b>	<b>1,413</b>
<b>Operating Expenses</b>				
Cost of electricity		200	—	200
Cost of natural gas		122	—	122
Operating and maintenance		586	—	586
Depreciation, amortization, and decommissioning		283	—	283
<b>Total operating expenses</b>		<b>1,191</b>	<b>—</b>	<b>1,191</b>
<b>Operating Income</b>		<b>222</b>	<b>—</b>	<b>222</b>
Interest income		5	—	5
Interest expense		(71)	(1)	(72)
Other income, net		32	3	35
Reorganization items, net	Item 15	(33)	—	(33)
<b>Income Before Income Taxes</b>		<b>155</b>	<b>2</b>	<b>157</b>
Income tax benefit		(8)	—	(8)
<b>Net Income</b>		<b>163</b>	<b>2</b>	<b>165</b>
Preferred stock dividend requirement		1	—	1
<b>Income Attributable to Common Stock</b>		<b>\$ 162</b>	<b>\$ 2</b>	<b>\$ 164</b>

UNAUDITED STATEMENTS OF INCOME  
PETITION DATE THROUGH JANUARY 31, 2020

(in millions)	Reference	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
<b>Operating Revenues</b>				
Electric		\$ 13,718	\$ —	\$ 13,718
Natural gas		4,822	—	4,822
<b>Total operating revenues</b>		<b>18,540</b>	<b>—</b>	<b>18,540</b>
<b>Operating Expenses</b>				
Cost of electricity		3,295	—	3,295
Cost of natural gas		855	—	855
Operating and maintenance		9,335	(23)	9,312
Wildfire-related claims, net of insurance		11,436	—	11,436
Depreciation, amortization, and decommissioning		3,516	(1)	3,515
<b>Total operating expenses</b>		<b>28,437</b>	<b>(24)</b>	<b>28,413</b>
<b>Operating Income (Loss)</b>		<b>(9,897)</b>	<b>24</b>	<b>(9,873)</b>
Interest income		87	1	88
Interest expense		(984)	(22)	(1,006)
Other income, net		275	12	287
Reorganization items, net	Item 15	(353)	(26)	(379)
<b>Loss Before Income Taxes</b>		<b>(10,872)</b>	<b>(11)</b>	<b>(10,883)</b>
Income tax provision (benefit)		(3,416)	8	(3,408)
<b>Net Loss</b>		<b>(7,456)</b>	<b>(19)</b>	<b>(7,475)</b>
Preferred stock dividend requirement		15	—	15
<b>Loss Attributable to Common Stock</b>		<b>\$ (7,471)</b>	<b>\$ (19)</b>	<b>\$ (7,490)</b>

UNAUDITED BALANCE SHEETS  
AS OF JANUARY 31, 2020

(in millions)	Reference	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	Items 10 and 11	\$ 1,516	\$ 464	\$ 1,980
Accounts receivable				
Customers (net of allowance for doubtful accounts of \$45)	Item 4	1,441	—	1,441
Accrued unbilled revenue		949	—	949
Regulatory balancing accounts		2,003	—	2,003
Other		2,598	83	2,590
Regulatory assets		302	—	302
Inventories	Item 3			
Gas stored underground and fuel oil		82	—	82
Materials and supplies		565	—	565
Income taxes receivable		261	2	263
Other		615	11	624
<b>Total current assets</b>		<b>10,332</b>	<b>560</b>	<b>10,799</b>
<b>Property, Plant, and Equipment</b>				
Electric		63,082	—	63,082
Gas		22,781	—	22,781
Construction work in progress		2,671	—	2,671
Other Plant in Service		18	2	20
<b>Total property, plant, and equipment</b>		<b>88,552</b>	<b>2</b>	<b>88,554</b>
Accumulated depreciation		(26,633)	(2)	(26,635)
<b>Net property, plant, and equipment</b>	Item 7	<b>61,919</b>	<b>—</b>	<b>61,919</b>
<b>Other Noncurrent Assets</b>				
Regulatory assets		5,903	—	5,903
Nuclear decommissioning trusts		3,213	—	3,213
Operating lease right of use asset		2,235	7	2,242
Income taxes receivable		67	84	151
Other		1,528	5,279	1,675
<b>Total other noncurrent assets</b>		<b>12,946</b>	<b>5,370</b>	<b>13,184</b>
<b>TOTAL ASSETS</b>		<b>\$ 85,197</b>	<b>\$ 5,930</b>	<b>\$ 85,902</b>

UNAUDITED BALANCE SHEETS  
AS OF JANUARY 31, 2020

(in millions)	Reference	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current Liabilities</b>				
Debtor-in-possession financing, classified as current	Item 6	\$ 2,000	\$ —	\$ 2,000
Accounts payable	Item 5			
Trade creditors		1,800	4	1,804
Regulatory balancing accounts		1,727	—	1,727
Other		688	21	618
Operating lease liabilities		551	3	554
Disputed claims and customer refunds		—	—	—
Interest payable		4	—	4
Other		1,569	(8)	1,560
<b>Total current liabilities</b>		<b>8,339</b>	<b>20</b>	<b>8,267</b>
<b>Noncurrent Liabilities</b>				
Regulatory liabilities		9,228	—	9,228
Pension and other postretirement benefits		1,823	—	1,823
Asset retirement obligations		5,863	—	5,863
Deferred income taxes	Item 8	434	(121)	312
Operating lease liabilities		1,683	5	1,688
Other		2,528	58	2,557
<b>Total noncurrent liabilities</b>		<b>21,559</b>	<b>(58)</b>	<b>21,471</b>
<b>Liabilities Subject to Compromise</b>	Item 9	<b>49,801</b>	<b>812</b>	<b>50,613</b>
<b>Shareholders' Equity</b>				
Preferred stock		258	—	—
Common stock		1,322	13,058	13,038
Additional paid-in capital		8,550	—	—
Reinvested earnings		(4,633)	(7,891)	(7,729)
Accumulated other comprehensive loss		1	(11)	(10)
<b>Total shareholders' equity</b>		<b>5,498</b>	<b>5,156</b>	<b>5,299</b>
Noncontrolling Interest - Preferred Stock of Subsidiary		—	—	252
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 85,197</b>	<b>\$ 5,930</b>	<b>\$ 85,902</b>

## 1. BASIS OF PRESENTATION

### General

On January 29, 2019, PG&E Corporation (the “Corporation”) and its subsidiary, Pacific Gas and Electric Company (the “Utility”) (together with the Corporation, the “Debtors”), filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the U.S. Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”). The Debtors’ Chapter 11 cases are being jointly administered under the caption *In re: PG&E Corporation and Pacific Gas and Electric Company*, Case No. 19-30088 (DM) (the “Chapter 11 Cases”). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in either of the Chapter 11 Cases.

On February 12, 2019, the United States Trustee (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “UCC”). On February 15, 2019, the U.S. Trustee appointed an Official Committee of Tort Claimants (the “TCC”).

### Debtor-in-Possession Financial Statements

Financial Accounting Standards Board Accounting Standards Codification 852 (Reorganizations) (“ASC 852”), which is applicable to companies in Chapter 11, requires that financial statements for periods after the filing of a Chapter 11 petition distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. The financial statements have been prepared in accordance with ASC 852. The accompanying financial statements have been prepared solely for purposes of complying with the monthly operating requirements applicable in the Debtors’ Chapter 11 Cases (the “Monthly Operating Reports”). The Debtors caution investors and potential investors not to place undue reliance upon the information contained in the Monthly Operating Reports, which was not prepared for the purpose of providing the basis for an investment decision relating to any securities of the Debtors.

The financial information contained in the Monthly Operating Reports is unaudited, limited in scope, and as such, has not been subject to procedures that would typically be applied to financial statements in accordance with accounting principles generally accepted in the United States of America. The Monthly Operating Reports should not be relied upon by any persons for information relating to current or future financial condition, events, or performance of the Corporation and the Utility and any of their non-debtor subsidiaries, as the results of operations contained in the Monthly Operating Reports are not necessarily indicative of results which may be expected for any other period or for the full year, and may not necessarily reflect the combined results of operations, financial position, and schedule of receipts and disbursements in the future. These unaudited financial statements were prepared using certain assumptions and estimates. These assumptions and estimates are subject to revision. Further, the amounts shown in this statement may differ materially due to adjustments in accruals, changes in facts and circumstances, changes in estimates, further analysis, and other factors.

The Utility’s unaudited financial statements reflected under the column “Pacific Gas and Electric Company” are presented on a consolidated basis and include the accounts of the Utility and the following subsidiaries of the Utility that individually and in aggregate are immaterial: Eureka Energy Company, Midway Power, LLC, Pacific Energy Fuels Company, and Standard Pacific Gas Line Incorporated.

The Corporation’s unaudited financial statements reflected under the column “PG&E Corporation” are presented on a consolidated basis and include the accounts of the following subsidiaries of the Corporation that individually and in aggregate are immaterial: PCG Capital, Inc., PG&E Corporation Support Services, Inc., and PG&E Corporation Support Services II, Inc. The Corporation’s unaudited financial statements reflected under the column “PG&E Corporation” exclude the accounts of the Utility.

The Corporation’s unaudited financial statements reflected under the column “PG&E Corporation, Consolidated” are presented on a consolidated basis and include the accounts of the Corporation, the Utility, and other wholly owned and controlled subsidiaries.

These unaudited financial statements differ from the requirements of generally accepted accounting principles in that they exclude certain financial statements (statements of cash flows, shareholders’ equity, and other comprehensive income), relevant footnotes and certain reclassifications.



## **Liabilities Subject to Compromise**

As a result of the Chapter 11 Cases, the payment of pre-petition indebtedness is subject to compromise or other treatment under a plan of reorganization. The determination of how liabilities will ultimately be settled or treated cannot be made until the Bankruptcy Court confirms a Chapter 11 plan of reorganization and such plan becomes effective. Accordingly, the ultimate amount of such liabilities is not determinable at this time. ASC 852 requires pre-petition liabilities that are subject to compromise to be reported at the amounts expected to be allowed, even if they may be settled for lesser amounts. The amounts currently classified as liabilities subject to compromise are preliminary and may be subject to future adjustments depending on the Bankruptcy Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

## **Reorganization Items**

ASC 852 requires expenses and income directly associated with the Chapter 11 Cases to be reported separately in the income statement. Reorganization items are reported net and include expenses related to legal advisory and representation services, other professional consulting and advisory services, debtor-in-possession financing fees and changes in liabilities subject to compromise recognized as there are changes in amounts expected to be allowed, net of interest income.

## **Post-Petition Liabilities**

Post-petition liabilities reflected in the Monthly Operating Report include Accounts payable – trade creditors, Accounts payable – other, and Other current liabilities, excluding amounts pertaining to regulatory liabilities.

## **2. CHAPTER 11 FILING**

On January 29, 2019, the Debtors filed the Chapter 11 Cases with the Bankruptcy Court. The Debtors continue to operate their businesses as debtors in possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

On January 31, 2019, the Bankruptcy Court approved, on an interim basis, certain motions (the “First Day Motions”) authorizing, but not directing, the Debtors to, among other things, (a) secure \$5.5 billion of debtor-in-possession financing; (b) continue to use and the Debtors’ cash management system; and (c) pay certain pre-petition claims relating to (i) certain safety, reliability, outage, and nuclear facility suppliers; (ii) shippers, warehousemen, and other lien claimants; (iii) taxes; (iv) employee wages, salaries, and other compensation and benefits; and (v) customer programs, including public purpose programs. The First Day Motions were subsequently approved by the Bankruptcy Court on a final basis at hearings on February 27, 2019, March 12, 2019, March 13, 2019, and March 27, 2019.

On July 1, 2019, the Bankruptcy Court entered an order approving a deadline of October 21, 2019, at 5:00 p.m. (Pacific Time) (the “Bar Date”) for filing claims against the Debtors relating to the period prior to the Petition Date. The Bar Date is subject to certain exceptions, including for claims arising under section 503(b)(9) of the Bankruptcy Code, the bar date for which occurred on April 22, 2019. The Bankruptcy Court also approved the Debtors’ plan to provide notice of the Bar Date to parties in interest, including potential wildfire-related claimants and other potential creditors. On November 11, 2019, the Bankruptcy Court entered an order [Docket No. 4672] approving a stipulation between the Debtors and the TCC to extend the Bar Date for unfiled, non-governmental fire claimants to December 31, 2019, at 5:00 p.m. (Pacific Time).

On June 18, 2019, the Debtors entered into Plan Support Agreements with certain local public entities providing for an aggregate of \$1.0 billion to be paid by the Debtors to such public entities pursuant to the Debtors’ Chapter 11 plan of reorganization in order to settle such public entities’ claims against the Debtors relating to the 2018 Camp fire, the 2017 Northern California wildfires and the 2015 Butte fire (collectively, “Public Entity Wildfire Claims”). The Debtors have entered into a Plan Support Agreement with each of the following public entities or group of public entities, as applicable: (i) the City of Clearlake, the City of Napa, the City of Santa Rosa, the County of Lake, the Lake County Sanitation District, the County of Mendocino, Napa County, the County of Nevada, the County of Sonoma, the Sonoma County Agricultural Preservation and Open Space District, the Sonoma County Community Development Commission, the Sonoma County Water Agency, the Sonoma Valley County Sanitation District and the County of Yuba; (ii) the Town of Paradise; (iii) the County of Butte; (iv) the Paradise Recreation & Park District; (v) the County of Yuba; and (vi) the Calaveras County Water District.

On September 22, 2019, the Debtors entered into a Restructuring Support Agreement with certain holders of insurance subrogation claims (collectively, the “Consenting Subrogation Creditors”) which agreement was amended and restated on

November 1, 2019 and subsequently amended further during November and December 2019 (as amended, the “Subrogation RSA”). The Subrogation RSA provides for an aggregate amount of \$11.0 billion to be paid by the Debtors pursuant to the Proposed Plan in order to settle all insurance subrogation claims (the “Subrogation Claims”) relating to the 2017 Northern California wildfires and the 2018 Camp fire, upon the terms and conditions set forth in the Subrogation RSA. Under the Subrogation RSA, the Debtors also have agreed to reimburse the holders of Subrogation Claims for professional fees of up to \$55 million, upon the terms and conditions set forth in the Subrogation RSA. On December 19, 2019, the Bankruptcy Court entered an order granting the Debtors' motion to approve the Subrogation RSA.

On December 6, 2019, the Debtors entered into a Restructuring Support Agreement, which was subsequently amended on December 16, 2019 (as amended, the “TCC RSA”), with the TCC, the attorneys and other advisors and agents for holders of Fire Victim Claims (as defined below) that are signatories to the TCC RSA (each a “Consenting Fire Claimant Professional”), and the Shareholder Proponents. The TCC RSA provides for, among other things, an aggregate of \$13.5 billion in value to be provided by the Debtors pursuant to the Proposed Plan in order to settle and discharge all claims against the Debtors relating to the 2015 Butte fire, the 2017 Northern California wildfires and the 2018 Camp fire (other than the Subrogation Claims and the Public Entity Wildfire Claims) (the “Fire Victim Claims”), upon the terms and conditions set forth in the TCC RSA and the Proposed Plan. On December 19, 2019, the Bankruptcy Court entered an order granting the Debtors’ motion to approve the TCC RSA.

On January 22, 2020, the Debtors entered into a Restructuring Support Agreement (the “Noteholder RSA”) with certain holders of senior unsecured debt of the Utility that are identified in the Noteholder RSA as “Consenting Noteholders” and the Shareholder Proponents. The Noteholder RSA provides for, among other things, (i) the refinancing of the Utility’s senior unsecured debt in satisfaction of all claims arising out of the currently outstanding Utility notes maturing through 2022 in an aggregate principal amount of \$1.75 billion (the “Utility Short-Term Senior Notes”), the long-term Utility notes bearing an interest rate greater than 5% of which there is an aggregate principal amount outstanding of \$6.2 billion (the “Utility Long-Term Senior Notes”) and the Utility’s pre-petition credit facilities and certain series of Pollution Control bonds (collectively, the “Utility Funded Debt”), and (ii) the reinstatement of the remaining outstanding \$9.58 billion aggregate principal amount of the Utility notes (the “Utility Reinstated Senior Notes”), in each case pursuant to the Proposed Plan and upon the terms and conditions set forth in the Noteholder RSA. Under the Noteholder RSA, the Debtors have also agreed to reimburse the holders of Utility Long-Term Senior Notes for debt placement fees and the members of the Ad Hoc Noteholder Committee for professional fees of up to \$99 million upon the terms and conditions set forth in the Noteholder RSA. On February 5, 2020, the Bankruptcy Court entered an order granting the Debtors' motion to approve the Noteholder RSA.

On February 7, 2020, pursuant to section 1125 of the Bankruptcy Code, the Debtors filed the Proposed Disclosure Statement, and on February 18, 2020, the Debtors filed certain financial projections as an exhibit to the Proposed Disclosure Statement. The hearing before the Bankruptcy Court to consider approval of the Proposed Disclosure Statement is scheduled for March 10, 2020.

For additional information regarding the Chapter 11 Cases, refer to the website maintained by Prime Clerk, LLC, the Company’s claims and noticing agent, at <http://restructuring.primeclerk.com/pge>, as well as to the Debtors' joint annual report on Form 10-K for the year ended December 31, 2019, and other reports filed with the SEC, which are available on PG&E Corporation's website at [www.pgecorp.com](http://www.pgecorp.com) and on the SEC website at [www.sec.gov](http://www.sec.gov). The Debtors also routinely post or provide links to certain documents and information related to the Chapter 11 Cases at <http://investor.pgecorp.com>, under the “Chapter 11” tab.

### **3. INVENTORY**

Inventories are carried at weighted-average cost and include natural gas stored underground as well as materials and supplies. Natural gas stored underground is recorded to inventory when injected and then expensed as the gas is withdrawn for distribution to customers or to be used as fuel for electric generation. Materials and supplies are recorded to inventory when purchased and expensed or capitalized to plant, as appropriate, when consumed or installed.

### **4. ACCOUNTS RECEIVABLE**

The following reflects the balance of the Utility’s Accounts receivable – Customers as of January 31, 2020:

<b>(in millions)</b>	<b>Accounts Receivable – Customers (Pre and Post-Petition)</b>
<b>Receivables Aging</b>	
0 -30 Days	\$ 929
31-60 Days	146
61-90 Days	44
91+ Days	170
Unmailed invoices	154
<b>Total accounts receivable – Customers</b>	<b>1,443</b>
Other <sup>(1)</sup>	43
Allowance for doubtful accounts	(45)
<b>Accounts receivable – Customers (net)</b>	<b>\$ 1,441</b>

<sup>(1)</sup> Represents Department of Water Resources bond charge, credit balance reclassification, and unidentified receipts.

## 5. ACCOUNTS PAYABLE

To the best of the Debtors' knowledge, all undisputed, validated post-petition accounts payable have been and are being paid under agreed-upon payment terms.

In the ordinary course, in most instances the Debtors' process for validating items for payment to suppliers requires the matching of a vendor invoice with a purchase order and, additionally, with a goods receipt (reflecting the Debtors' acknowledgment of the delivery of goods or completion of services). That matching process extends the timeline for a vendor invoice to be cleared for payment until such time as the validation operation is fully complete. The Debtors are actively engaged on an ongoing basis with its supplier base to minimize the invoice matching and validation time frame. To the best of the Debtors' knowledge, in all instances where the invoice matching process has been satisfactorily completed for post-petition vendor activity, the Debtors do not have any past due post-petition accounts payable as of January 31, 2020.

## 6. DEBTOR-IN-POSSESSION ("DIP") FINANCING

The following table summarizes the Debtors' outstanding borrowings and availability under their DIP credit facilities at January 31, 2020:

<b>(in millions)</b>	<b>Aggregate Limit</b>	<b>Term Loan Borrowings</b>	<b>Revolver Borrowings</b>	<b>Letters of Credit Outstanding</b>	<b>Aggregate Availability</b>
PG&E Corporation	\$ —	\$ —	\$ —	\$ —	\$ —
Utility	5,500 <sup>(1)</sup>	2,000	—	762	2,738
<b>Total DIP credit facilities</b>	<b>\$ 5,500</b>	<b>\$ 2,000</b>	<b>\$ —</b>	<b>\$ 762</b>	<b>\$ 2,738</b>

<sup>(1)</sup> May be extended to December 2021, subject to satisfaction of certain terms and conditions, including payment of a 25 basis point extension fee.

On January 29, 2020, the Utility borrowed \$500 million under the DIP Delayed Draw Term Loan Facility.

## 7. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment are reported at the lower of their historical cost less accumulated depreciation or fair value. Historical costs include labor and materials, construction overhead, and allowance for funds used during construction. PG&E Corporation Consolidated balances of its property, plant, and equipment were as follows at January 31, 2020:

(in millions)	PG&E Corporation Consolidated
Electric <sup>(1)</sup>	\$ 63,082
Gas	22,781
Construction work in progress	2,671
Other Plant in Service	20
<b>Total property, plant, and equipment</b>	<b>88,554</b>
Accumulated depreciation	(26,635)
<b>Net property, plant, and equipment</b>	<b>\$ 61,919</b>

<sup>(1)</sup> Balance includes nuclear fuel inventories. Stored nuclear fuel inventory is stated at weighted-average cost. Nuclear fuel in the reactor is expensed as it is used based on the amount of energy output.

## 8. PAYMENT OF TAXES

To the best of the Debtors' knowledge, the Corporation and the Utility are current on all taxes payable.

## 9. LIABILITIES SUBJECT TO COMPROMISE

The following reflects the balance of liabilities subject to compromise ("LSTC") as of January 31, 2020:

(in millions)	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
Financing Debt <sup>(1)</sup>	\$ 22,508	\$ 668	\$ 23,176
Wildfire-related Claims <sup>(2)</sup>	25,548	—	25,548
Trade creditors	1,188	5	1,193
Non-qualified benefit plan	20	138	158
2001 bankruptcy disputed claims <sup>(3)</sup>	235	—	235
Customer deposits & advances	72	—	72
Others	230	1	231
<b>Total Liabilities Subject to Compromise</b>	<b>\$ 49,801</b>	<b>\$ 812</b>	<b>\$ 50,613</b>

<sup>(1)</sup> At January 31, 2020, PG&E Corporation and the Utility had \$650 million and \$21,526 million in aggregate principal amount of pre-petition indebtedness, respectively. Pre-petition financing debt includes accrued contractual interest of \$1 million and \$286 million for PG&E Corporation and the Utility, respectively, to the Petition Date. Financing debt also includes post-petition interest of \$17 million and \$696 million for PG&E Corporation and the Utility, respectively, in accordance with the terms of the Noteholder RSA, please see Note 2 of the Notes to the Consolidated Financial Statements in the Debtors' joint annual report on Form 10-K for the year ended December 31, 2019.

<sup>(2)</sup> For information on pre-petition wildfire-related claims reported as LSTC, please see Note 14 of the Notes to the Consolidated Financial Statements in the Debtors' joint annual report on Form 10-K for the year ended December 31, 2019.

<sup>(3)</sup> 2001 bankruptcy disputed claims includes \$15 million of interest recorded at the interest rate specified by FERC in accordance with S35.19a of the FERC's regulations.

## 10. RECAPITULATION OF FUNDS HELD AT END OF MONTH

The following reflects the bank balances of the Corporation and the Utility as of January 31, 2020:

Legal Entity	Bank	Account No.	Balance, End of Month (in ones)
PG&E Corporation	The Bank of New York Mellon	8400	\$ 463,175,000
PG&E Corporation	The Bank of New York Mellon	9023	—
PG&E Corporation	Bank of America	7107	—
PG&E Corporation	The Bank of New York Mellon	4558	—

PG&E Corporation	Union Bank of California	9557	737
PG&E Corporation	Bank of America	0X30	—
PG&E Corporation	Barclays Capital Inc.	1362	—
PG&E Corporation	BNP Paribas	0652	—
PG&E Corporation	Citigroup Global Markets	0473	—
PG&E Corporation	Goldman, Sachs & Co	0609	—
PG&E Corporation	JP Morgan Chase Bank, N.A.	0698	—
PG&E Corporation	Mitsubishi UFJ Securities USA, INC.	0189	—
PG&E Corporation	Morgan Stanley / ISG Operations	4966	—
PG&E Corporation	RBC Capital Markets	2226	—
PG&E Corporation	Wells Fargo Securities, LLC	7221	—
Pacific Gas & Electric Company	The Bank of New York Mellon	8400	1,220,500,000
Pacific Gas & Electric Company	Union Bank of California	5581	267,129,463
Pacific Gas & Electric Company	Citibank N. A.	2091	(933,595)
Pacific Gas & Electric Company	Bank of America	3212	487,458
Pacific Gas & Electric Company	The Bank of New York Mellon	9994	1,171,339
Pacific Gas & Electric Company	The Bank of New York Mellon	7822	—
Pacific Gas & Electric Company	The Bank of New York Mellon	5477	—
Pacific Gas & Electric Company	Royal Bank of Canada	0446	276,232
Pacific Gas & Electric Company	Bank of America	7115	—
Pacific Gas & Electric Company	U.S. Bank	2311	629,444
Pacific Gas & Electric Company	Bank of America	2988	46,732
Pacific Gas & Electric Company	The Bank of New York Mellon	3044	—
Pacific Gas & Electric Company	Bank of America	2302	713,788
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	4XL9	3,040
Pacific Gas & Electric Company	The Bank of New York Mellon	4122	242,002
Pacific Gas & Electric Company	The Bank of New York Mellon	3532	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	43.11	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	543.7	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.2	—
Pacific Gas & Electric Company	Bank of America	0817	—
Pacific Gas & Electric Company	Citibank N. A.	0901	—
Pacific Gas & Electric Company	Citibank N. A.	1958	—
Pacific Gas & Electric Company	Citibank N. A.	2316	—
Pacific Gas & Electric Company	Citigroup Global Markets	6473	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.1	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.1	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.11	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.12	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.13	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.14	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.15	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	54.16	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.2	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.3	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.4	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.5	—

Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.6	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.7	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.8	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	854.9	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	43.10	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	43.12	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	543.6	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	543.8	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.1	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.10	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.11	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.12	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.13	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.14	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.15	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.16	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.17	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.18	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.19	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.20	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.21	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.22	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.23	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	50.24	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.3	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.4	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.5	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.6	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.7	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.8	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	550.9	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	387.1	—
Pacific Gas & Electric Company	Deutsche Bank Trust Company Americas	7110	—
Pacific Gas & Electric Company	The Bank of New York Mellon	8400	—
Pacific Gas & Electric Company	The Bank of New York Mellon	8544	1,174
Pacific Gas & Electric Company	The Bank of New York Mellon	9990	4,950,629
Pacific Gas & Electric Company	The Bank of New York Mellon	4017	—
Pacific Gas & Electric Company	The Bank of New York Mellon	0143	—
Pacific Gas & Electric Company	Wells Fargo Bank N.A.	9578	—
Pacific Gas & Electric Company	The Bank of New York Mellon	9978	—
Pacific Gas & Electric Company	U.S. Bank	5000	1,003,378
Pacific Gas & Electric Company	Bank of America	2520	—
<b>Total Funds on Hand for all Accounts (1)(2)</b>			<b>\$ 1,959,396,821</b>

<sup>(1)</sup> Schedule does not include Wells Fargo accounts 5300 and 5400; these accounts are held by grantor trusts relating to post-service benefits to directors, officers, and other highly paid employees, which have a combined value of \$180,703,865. The grantor trusts are considered assets of the Corporation subject to creditor claims.

<sup>(3)</sup> Balances will not tie to the Balance Sheets as they are per bank and due to the exclusion of non-debtor bank accounts.



## 11. CASH RECEIPTS AND DISBURSEMENTS

The following reflects the cash receipts and disbursements of the Corporation and the Utility for the month ended January 31, 2020:

(in ones)	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
<b>Beginning Cash <sup>(1)(2)</sup></b>	<b>\$ 1,106,664,148</b>	<b>\$ 448,000,734</b>	<b>\$ 1,554,664,882</b>
Total receipts <sup>(3)</sup>	1,993,086,811	21,593,197	2,014,680,008
Total disbursements <sup>(3)</sup>	(2,101,029,872)	(6,418,197)	(2,107,448,069)
DIP borrowing and repayments, net (net of fees)	497,500,000	—	497,500,000
<b>Total Change in Cash</b>	<b>389,556,939</b>	<b>15,175,000</b>	<b>404,731,939</b>
<b>Ending Cash <sup>(1)(2)</sup></b>	<b>\$ 1,496,221,087</b>	<b>\$ 463,175,734</b>	<b>\$ 1,959,396,821</b>

<sup>(1)</sup> Calculated using balance per bank.

<sup>(2)</sup> Balances will not tie to the Balance Sheets as they are per bank and due to the exclusion of non-debtor bank accounts.

<sup>(3)</sup> Includes intercompany receipts and disbursements between the Corporation and the Utility.

## 12. PAYMENTS ON PRE-PETITION DEBT

The following reflects the payments for the month ended January 31, 2020 made in accordance with the authority granted by the Bankruptcy Court pursuant to the First Day Motions.

(in millions)	Disbursed in Month
<b>First Day Motions</b>	
Operational Integrity Supplier	\$ —
Cash Management	—
NGX - CAISO	—
Public Purpose Programs	2
Shippers / Liens	—
Tax	1
Employee Wage and Benefits	—
Insurance	—
503(b)(9) <sup>(1)</sup>	—
<b>Total</b>	<b>\$ 3</b>

<sup>(1)</sup> Pursuant to the Operational Integrity Motion Debtors are allowed to pay valid 503(b)(9) claims.

### 13. PAYMENTS FOR RETAINED PROFESSIONALS

The following reflects payments made to retained bankruptcy professionals during the month ended January 31, 2020.

(in ones)

Name	Payment Date	Total Payments for the Month
AP Services, LLP	1/10/20, 1/11/20	\$ 8,926,233
Baker & Hostetler LLP	1/8/2020	4,633,219
Coblentz Patch Duffy & Bass LLP	1/10/20, 1/28/20	21,776
Groom Law Group Chartered	1/09/20, 1/10/20	155,145
KPMG LLP	1/16/2020	643,625
Lazard Freres & Co LLC	1/14/2020	1,057,282
Milbank LLP	1/8/2020	1,762,070
Munger Tolles & Olson LLP	1/1/2020	3,189,321
Simpson Thacher & Bartlett LLP	1/13/2020	544,261
Trident DMG LLC	1/15/2020	32,635
Willis Towers Watson US LLC	1/1/20, 1/7/20, 1/9/20, 1/10/20, 1/15/20, 1/25/20, 1/28/20	230,171
<b>Total</b>		<b>\$ 21,195,738</b>

### 14. PAYMENTS TO INSIDERS

The following reflects the cash payments made to insiders of the Corporation and the Utility during the month ended January 31, 2020.

Current Section 16 officers of the Corporation and/or the Utility.

(in ones)

Name <sup>(1)</sup>	Title	Total Payments for Month <sup>(2)</sup>
William D. Johnson	Chief Executive Officer and President, PG&E Corporation	\$ 208,333
Michael A. Lewis	Senior Vice President, Electric Operations, Pacific Gas and Electric Company	\$ 44,167
Janet C. Loduca	Senior Vice President and General Counsel, PG&E Corporation and Pacific Gas and Electric Company	\$ 47,917
John R. Simon	Executive Vice President, Law, Strategy, and Policy, PG&E Corporation	\$ 57,917
David S. Thomason	Vice President, Chief Financial Officer, and Controller, Pacific Gas and Electric Company Vice President and Controller, PG&E Corporation	\$ 27,083
Andrew M. Vesey	Chief Executive Officer and President, Pacific Gas and Electric Company	\$ 83,333
Jason P. Wells	Executive Vice President and Chief Financial Officer, PG&E Corporation	\$ 52,500
James M. Welsch	Senior Vice President and Chief Nuclear Officer, Pacific Gas and Electric Company	\$ 45,417

<sup>(1)</sup> Section 16 officers of the Corporation and/or the Utility, as determined by the Corporation's and the Utility's Boards of Directors as of December 31, 2019.

<sup>(2)</sup> Payments primarily consist of salary.

### Current Non-Employee Boards of Directors Members

Employee directors of the Corporation and the Utility do not receive compensation for their service on either Board and the committees of either Boards. Non-employee directors of the Corporation and the Utility receive annual retainers and fees for serving on the Boards of Directors and their respective committees, which are paid quarterly.



The following retainers are provided to each director who was not an employee of PG&E Corporation or the Utility for service on the Boards and their permanent standing committees.

Board Retainer	\$30,000 per quarter (\$120,000 annually)
PG&E Corporation Board Chair (non-executive)	\$25,000 per quarter (\$100,000 annually)
Utility Board Chair (non-executive)	\$7,500 per quarter (\$30,000 annually)
Committee Chair Retainers	\$3,750 per quarter (\$15,000 annually)
Other than:	
Audit: \$12,500 per quarter (\$50,000 annually)	
Compensation: \$5,000 per quarter (\$20,000 annually)	

Non-employee directors also were entitled to receive annual awards of stock-based compensation. However, in connection with the Chapter 11 Cases, equity grants were suspended unless approval is obtained from the Bankruptcy Court. On October 19, 2019, the Debtors' joint motion with the Bankruptcy Court seeking approval of certain proposed changes to non-employee director compensation was approved. For more information regarding non-employee director compensation, see the Corporation and the Utility's joint proxy statement filed with the Securities and Exchange Commission on May 17, 2019.

The following table summarizes the principal components of compensation paid or granted to individuals for their service as non-employee directors of PG&E Corporation and the Utility during the month ended January 31, 2020. No payments to other Boards of Director members were made in January 2020.

(in ones) Name	Director Since	Board Committees	Total Payments
Richard R. Barrera <sup>(1)</sup>	April 2019	<i>Finance (Chair); Audit; Executive</i>	\$ 33,750
Jeffrey L. Bleich	April 2019	<i>Chair of the Board of the Utility; Compliance and Public Policy; Safety and Nuclear Oversight</i>	\$ 37,500
Nora Mead Brownell	April 2019	<i>Chair of the Board PG&amp;E Corporation; Executive; Safety and Nuclear Oversight</i>	\$ 55,000
Cheryl F. Campbell	April 2019	<i>Safety and Nuclear Oversight (Chair); Compliance and Public Policy; Finance</i>	\$ 33,750
Fred J. Fowler	March 2012	<i>Finance; Safety and Nuclear Oversight</i>	\$ 30,000
Michael J. Leffell <sup>(1)</sup>	April 2019	<i>Nominating and Governance (Chair); Compliance and Public Policy; Executive</i>	\$ 33,750
Dominique Mielle	April 2019	<i>Audit (Chair); Executive</i>	\$ 42,500
Meridee A. Moore	April 2019	<i>Compensation (Chair); Executive; Finance; Nominating and Governance</i>	\$ 35,000
Eric D. Mullins <sup>(1)</sup>	September 2016	<i>Audit; Safety and Nuclear Oversight</i>	\$ 30,000
Kristine M. Schmidt	April 2019	<i>Compliance and Public Policy (Chair); Executive; Nominating and Governance; Safety and Nuclear Oversight</i>	\$ 33,750
William L. Smith	October 2019	<i>Compensation; Finance; Safety and Nuclear Oversight</i>	\$ 30,000
Alejandro D. Wolff	April 2019	<i>Compensation; Compliance and Public Policy</i>	\$ 30,000
John M. Woolard	October 2019	<i>Compliance and Public Policy; Nominating and Governance</i>	\$ 30,000

<sup>(1)</sup> Elected to participate in the Corporation's 2005 Deferred Compensation Plan for non-employee directors. In accordance with the plan, third quarter 2019 compensation was deferred and converted into phantom stock on January 2, 2020.

## 15. REORGANIZATION ITEMS

The following reflects reorganization items, net, post-petition through January 31, 2020:

(in millions)	Pacific Gas & Electric Company	PG&E Corporation	PG&E Corporation Consolidated
Debtor-in-possession financing costs	\$ 97	\$ 17	\$ 114
Legal and other <sup>(1)</sup>	307	19	326
Interest income	(51)	(10)	(61)
Adjustments to LSTC	—	—	—
<b>Total reorganization items, net</b>	<b>\$ 353</b>	<b>\$ 26</b>	<b>\$ 379</b>

<sup>(1)</sup> At January 31, 2020, the Corporation and the Utility incurred \$817,929 and \$1,246,650, respectively, in fees to the U.S. Trustee.